

TO: D/HA

Subject: Seminar on Argentine Situation.

Here are the highlights of a panel discussion on the Argentine situation sponsored by WOLA. These are based on my notes which are not necessarily quotes on what was said. The panel consisted of Eldon Kenworthy of Cornell University and the Latin American Studies Organization (LASO); Peter Miscelli, representing 16 U.S. Chambers of Commerce in Latin America; and Bill Luers.

In the prefatory remarks, Miscelli expressed the frustration of the U.S. business community in Latin America at the way the news media has distorted the human rights issue. He read from a report by the Argentine-American Chamber of Commerce which asked for understanding of what the new government is faced with given the disruptive political and economic history which Argentina has recently undergone. He said the last Chamber of Commerce meeting in Mexico City supported human rights--but not those actions which restricted loans and other economic collaboration with Latin American governments.

Kenworthy sought to underline the dilemma of the Argentine people--either support the regime or be politically neutral. But he stressed that neutrality is not enough for the military. The de facto situation is that any allegation of "subversion" i.e., not supportive of the regime, is dangerous. He claimed Argentina is the least safe country in the world. The GOA indiscriminately attacks the populace as a whole, in essence "removing the water which supports the fish" (those who do not go along with the government's imposition of a very severe, conservative, economic policy). U.S. policy, he asserted, is that so long as Videla handles his public relations well there is no real problem. (Our difficulty with Chile was not its conduct but its bad PR.) And the US Government is giving tacit support to this Argentine PR program. On top of this, the US is giving no help at all to the 20,000 "refugees" in Argentina.

Luers' thrust was to try to explain U.S. policy, not to justify the activities of the Argentine Government. He underlined that there is no aid and no grant military assistance. He mentioned that while there is no overriding U.S. interest in Argentina, there are special things to consider such as the \$1.4 billion U.S. investment, that

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Margaret P. Grafeld, Director

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Argentina is one of the two or three most important countries in the hemisphere, and that potentially it is a major exporter to a food hungry world. On human rights, the US has talked to President Videla and all the Ministers of Government. There has also been numerous USG efforts to achieve release of US citizens and others. The US has also publicly spoken out regarding the situation there. Less rhetorically, we have embarked on a parole program to help refugees in Argentina, and while we recently favored an \$8 million IDB loan, this gave us an opportunity to express to the Argentines the difficulty we had in reaching this decision given the human rights situation. Generally, Luers said he had talked to democratic leaders in Latin America who warned that US bilateral actions would give rise to greater Argentine nationalism and accordingly be self-defeating with respect to promoting human rights. He finished by pointing to certain possible dangers from a heavy-handed approach:

- moral imperialism
- amalgamation of the southern cone against us
- the U.S.S.R. could also accuse of violating the human rights of American citizens, e.g., unemployment
- negative reactions of the sort we experienced from the Jackson-Vanik approach


Questions to Luers were as follows:

- Q. Isn't it true that we like repressive regimes because they support US policy?
- A. Difficult for me to say. I am sure that Videla does not see himself serving the US rather than his military and the welfare of the Argentine people. (Kenworthy: But isn't it true that the economic policies they are pursuing are congenial to us? While it may not be an overt conspiracy of support for US policy, certainly it is a love affair).
- Q. (Bruce-Cameron - Americans for Democratic Action). Why do we grant military aid to countries in which we have no vital interest? It is not punitive to deny aid to governments who use this aid in pursuit of their own objectives.

- A. There has to be some consistency in the way we do things. Over a long period of time we provided arms in the fight against Communism. Just because we have revised this concept doesn't mean that we can quickly turn around and dramatically reduce the arms flow. Preferentially, it would be nice if we could start all over again every time we change our mind. Certainly, an option open to the new Administration could be zero-base aid. But because we have traditionally supported the military this option has not been available to us in the past. Our policy now is to reduce military collaboration despite the growing number of military regimes.
- Q. But you admitted you are planning to increase FMS sales to Argentina from \$30 to \$48 million. This is in your FY'78 budget. This doesn't make sense.
- A. It is in the budget but it does not mean that the suggested figure will survive. It depends on the outcome of the human rights issue. This \$48 million is just a planning figure. It was set up last year.
- Q. But as we look at the past military aid to Argentina it was even less several years ago. There has generally been a manifold increase in the last few years. Prior to this recent increase it was rather low.
- A. When Argentine bottoms were being used in the Cuban trade we considerably lowered our assistance. Admittedly, after the Argentine ships were no longer involved aid went up considerably.
- Q. Indeed, if you were scaling down your military assistance over time as you said, you should have hung on to the low level you reached during the Cuba issue.
- A. Perhaps so.
- Q. (Larry Birns - Council of Hemispheric Affairs). Why did the State Department refuse to testify recently on the Argentine situation?
- A. We did not refuse to testify. We felt that public airing of the human rights issue at that time could have had an impact on the direction of the Argentine Government was taking. In fact, this direction is still unresolved.

- Q. I understand the Argentine report on human rights was "dynamite." But then you proceeded to classify it thwarting the intent of the Congress. I admit that the question of classification is unclear but your motivation to classify it was to head off action on a possible joint resolution directed against Argentina.
- A. We have not tried to thwart the Congress. How could we since the Congress was not in session. The justification for the classification is that it contained information provided in confidence by the Argentine Government and other governments. In addition, there is a series of other reports which are to be provided in unclassified form.
- Q. The reports to accompany the budget request are not the same thing. They do not contain the backdrop and other information essential to the Hill in considering a joint resolution.
- Q. How about the request to declassify the reports?
- A. It is being looked at. I'm unsure where we are on this matter.
- Q. (Torres-UAW). Why can't we put together a program to help Argentines come to the U.S. given their dire circumstances?
- A. The UNHCR has not made such a request. We need a recommendation from them.
- Q. (Rosemary Chalk - National Association for the Advancement of Science). Can't we get a list of all those detained in Argentina?
- A. We have asked for such a list and continue to push it.

Finally, Birns took issue with the assertion that the Argentine public would close ranks behind the GOA if we pressed on human rights. His thesis was that the outs, the tortured, the repressed would welcome U.S. demarches on human rights. Admittedly others supportive of the government would react.

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